

1 **MINUTES OF THE SPECIAL MEETING**
2 **OF THE**
3 **BOARD OF DIRECTORS**
4 **TRABUCO CANYON WATER DISTRICT**
5 **JUNE 8, 2010**

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7 The Special Workshop of the Board of Directors of the Trabuco Canyon
8 Water District (TCWD) was called to order by President Safranski at
9 6:03 p.m.at Trabuco Canyon Water District's office located at 32003
10 Dove Canyon Drive, Trabuco Canyon, California, Teresa Teichman,
11 Assistant Board Secretary, recorded and transcribed the minutes
12 thereof.

13 **DIRECTORS PRESENT**

14 Mike Safranski, President
15 Ed Mandich, Vice President
16 Matt Disston
Jim Haselton
Glenn Acosta

17 **STAFF PRESENT**

18 Don Chadd, General Manager
19 Hector Ruiz, District Engineer
Teresa Teichman, Assistant Board Secretary
Karen Warner, Accounting Specialist
Micheal Perea, Special Projects Manager

20 **CONSULTANTS PRESENT**

21 Carl Schoonover, Board Treasurer
22 Joyce Dornan, Accountant

23 **PUBLIC PRESENT**

No members of the public were present.

24 **PLEDGE OF ALLEGIANCE**

25 Director Acosta led the Board and staff in the pledge of allegiance.

26 **PUBLIC COMMENTS**

27 Public comments were announced. None were received.
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1 **ORAL COMMUNICATION**

2 Oral communication was announced. There was no oral communication.

3 **DIRECTOR'S COMMENTS**

4 President Safranski provided an update on MWDOC issues.

5 **REPORT FROM THE GENERAL MANAGER**

6 There were no comments from the General Manager.

7 **ACTION CALENDAR**

8 **ITEM NO. 1A) REVIEW OF TRABUCO CANYON WATER DISTRICT'S FISCAL YEAR**
9 **2010/2011 GENERAL FUND, CAPITAL IMPROVEMENT PROGRAM,**
10 **AND DEBT SERVICE DRAFT BUDGET GUIDELINES**

11 Mr. Don Chadd, General Manager, provided a power point
12 presentation. The presentation began with background information
13 relating to the 2009/2010 Metropolitan Water District (MET) allocation
14 reduction of 15%. Mr. Chadd advised the directors this allocation has
15 been reduced to 2,514 for fiscal year 2010/2011.

16 Mr. Chadd discussed the MET increase occurring January 2011 along
17 with Metropolitan Water District of Orange County (MWDOC) increases in
18 retail meter charges, increment rates, system access rates, system
19 power rates, Delta surcharge, melded supply rate, treated and
20 untreated water rates. Further discussion occurred concerning the
21 anticipated amount of water to be purchased and predictions of weather
22 patterns and conditions over the next fiscal year.

23 Mr. Chadd reviewed TCWD's Conservation Encouragement Rate Program
24 (CERP) currently in effect and reviewed TCWD's eight billing tiers.

25 The cost for TCWD to deliver water to customers was broken down
26 and the effect of MET's and MWDOC's upcoming increases were factored
27 in. It is the Boards desire not to raise customer rates for potable
28

1 water at this time. Mr. Chadd stated staff will revisit the figures
2 after January 2011 in order to see what impact the increases to TCWD
3 will have on the budget. Director Acosta expressed his concern
4 regarding any increase in reclaimed and/or recycled water rates to
5 existing users stating it is taking a financial toll on local home
6 owner associations. It was the consensus of the Board not to
7 increase reclaimed/recycled rates to current users and to review this
8 data after January 2011 as well.

9 Mr. Chadd provided discussion and analysis of the District's
10 budget assumptions including revenues, expenditures and reserves.

11 Statistics regarding the District size, population, number of
12 metered connections, facilities, infrastructure in ground, and the
13 employee population were presented to the Board. The capital
14 improvement projects were reviewed and discussed.

15 Also reviewed were the details of the budget objectives based on
16 the District's Mission Statement. Mr. Chadd stated that the 2010/2011
17 budget goals are twofold: 1) adopt a budget with water and sewer
18 rates to meet revenue needs and operational and expenses; and, 2)
19 minimize the MWDOC water allocation penalty.

20 It was noted the Community Facilities Districts debt service
21 budget special tax levies are very stable, and the District has
22 historically collected all levies. No assessments will be levied for
23 Reassessment District No. 5 (Saddleback Meadows, Zadeh, et al) as
24 sufficient funds exist to pay the upcoming debt service payments in
25 full.
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The Board received and filed the presentation and directed staff to agendize resolutions to adopt the budgets at the June 16, 2010 Regular Board Meeting.

ADJOURNMENT

President Safranski adjourned the June 8, 2010 Special Board Workshop at 8:06 p.m.

at 7:15 p.m.

Respectfully Submitted,

Teresa Teichman
Assistant Board Secretary